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A Synopsis for Ph.D Registration
On

A Comparative Study on SBI Mutual Fund and AXIS Mutual Fund with Special reference to investors of Jharkhand

Guide and Supervisor

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MUTUAL FUNDS

Finance holds immense significance for both individuals and companies, to use it wisely is an intellectual task. Investing can be complicated and overwhelming. Investing, with its plethora of options like stocks, bonds, real estate, and the money market, can be daunting and complex.

Engaging in self-directed investment demands a thorough understanding of selecting investments, monitoring their performance, and adjusting strategies over time.

Alternatively, mutual funds offer a sophisticated avenue for investment. Managed by seasoned financial experts, these funds pool resources from multiple investors sharing common financial objectives. This collective approach has propelled mutual funds to prominence in the Indian financial landscape over the past two decades, emerging as pivotal players in the stock market.

Mutual Funds have become the dominant players in stock markets, In mutual Funds, the total risk is diversified at two stages

- Hands of the portfolio managers
- Hands of the investors

Since its inception in 1964, the Indian Mutual Funds industry has undergone a remarkable evolution. According to SEBI, which was established in 1996, a mutual fund is essentially a trust that raises funds by selling units to the public or a segment thereof, under one or more schemes aimed at investing in securities, including those in the money market.

SEBI (Mutual Fund) Registered (1996) Mutual Fund means ‘A fund established in the form of trust to raise monies through the sale of units of the public or a section of the public under one or more schemes for investing in securities including money market instruments.

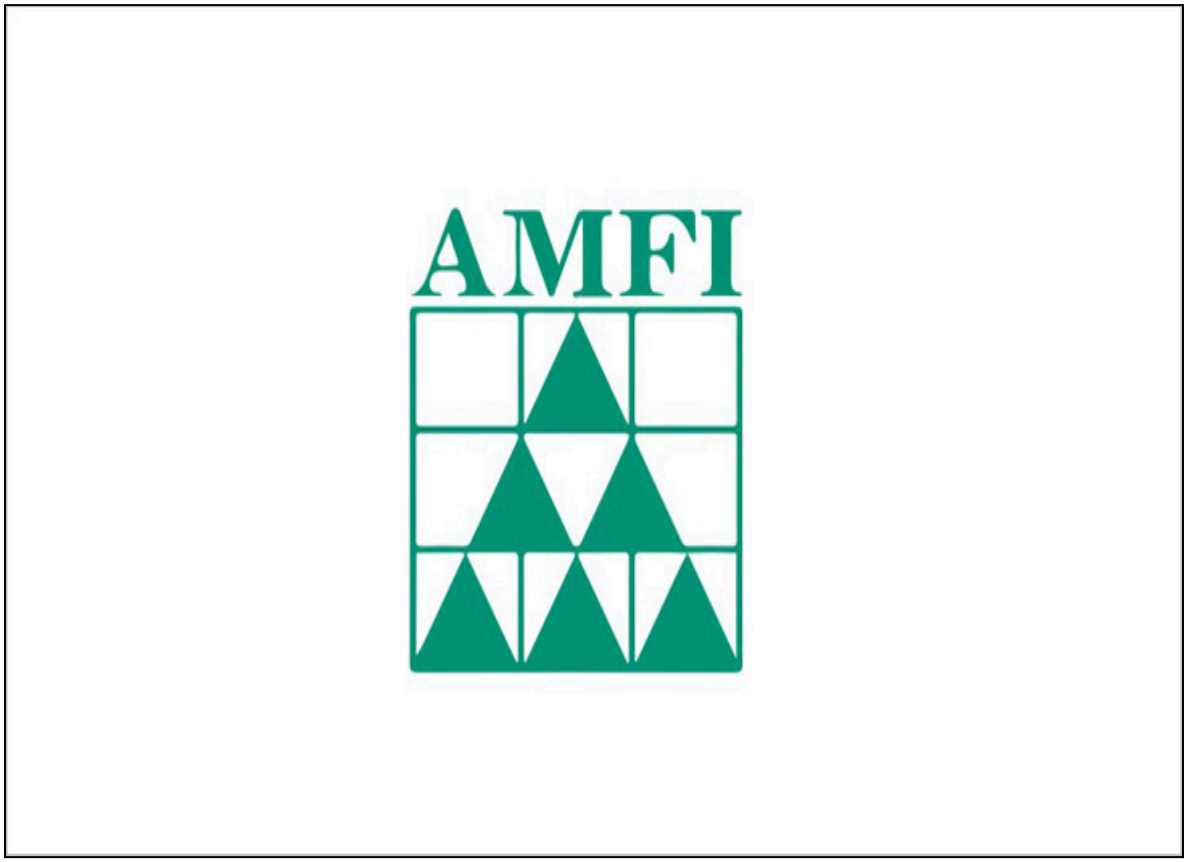
Mutual funds present an appealing avenue for investment and savings due to their cost-effective nature. They offer returns in a cost-efficient manner, are more liquid compared to other investment options, and benefit from economies of scale owing to their substantial trading volume. Additionally, transaction costs associated with securities trading are notably low.

The income generated from these investments, along with capital appreciation, is distributed among unit holders in proportion to their holdings. This makes mutual funds an ideal investment

option for the common individual, providing an opportunity to invest in a diversified basket of professionally managed securities at a relatively low cost.

The tax efficiency of a mutual fund depends on the kind of distributions unique to that fund. To avoid paying corporate income taxes on their profits, mutual funds are required to distribute all their net gains to shareholders at least once a year. This distribution falls into one of two categories: Dividend distributions or Capital gains distribution.

Dividend distributions occur when the existing fund receives a payoff in dividend-bearing stocks and interest-bearing bonds. In contrast, capital gains distributions are generated when the fund managers sell the fund assets for a net gain.



BENEFITS OF MUTUAL FUNDS

1. Professional management: Mutual funds are managed by professional asset managers who are experienced in financial markets. They have the expertise to make informed investment decisions and help investors to earn a profit.

2. Diversification: Mutual funds invest in a variety of securities which helps reduce or mitigate the risk. This diversification helps protect the investor's portfolio from market volatility.

3. Well Regulated: Mutual funds are regulated by the capital market regulator, Securities and Exchange Board of India under SEBI (MF) Regulation 1996 . SEBI has laid down stringent rules and regulations keeping investors protection, transparency and appropriation, risk mitigation framework and fair valuation principles.

4. Higher Return on Investment (ROI) : All investors aim to achieve a higher ROI by investing in financial instruments such as mutual funds to beat inflation and increase their wealth of the long term , Mutual fund have greater prospectus of potentially providing higher returns over time as one can invest in a diverse range of sectors and industries.

5. Tax Benefits : Mutual Funds offer tax benefits to investors, long term capital gains from mutual funds are taxed at a lower rate than short term capital gains . By investing in ELSS mutual funds are taxed at a lower rate than short-term capital gains . By investing in ELSS mutual fund investors can save tax on income upto 1.5 lakh (under 80C) but these funds have a lock in period of 3 years .

6. Comparatively low cost : An important advantage of mutual fund is their low cost . Due to huge economies of scale , Mutual Fund schemes have a low expense ratio . Expenses ratio represents the annual fund operating expenses of a scheme. The limits of the expense ratio of various types of scheme has been specified under regulation 52 of SEBI Mutual Fund Regulation 1996.

7. Easy liquidity: Mutual Funds are highly liquid investments which means the investors can easily buy and sell their units at any time.

8. Transparency: Mutual Funds are regulated by the Securities and Exchange Board of India (SEBI) which ensures that they operate safely and transparently.

9. Dividend Reinvestment: As dividends and other interest income sources are declared for the fund, they can be used to purchase additional shares in the Mutual Fund , therefore helping the investments to grow.

10. Affordability: Mutual Funds are affordable investments that allow investors to start with a small amount of investment.

MEASUREMENT OF INVESTMENT PERFORMANCE

1. RATE OF RETURN MEASURE:

In this measure, the benchmark is fixed and a comparison is made between the investment options. Ex-post average return of the mutual fund over a sample period to some benchmark.

2. RISK-ADJUSTED PERFORMANCE MEASURE

- Return per unit of risk measure
- Differential return measure
- Components of performance measure

Return per unit of risk

- Sharpe reward to variability ratio
- Treynor's reward-to-volatility ratio
- Rate of return measure limitation (It does not take into account the risk of the concerned portfolio).

Differential return measure

- Jensen and Sharpe's absolute measure of performance. They are of great importance as they are derived from the capital market theory.

Components of Performance Measure

- Selectivity
- Net selectivity is more appropriate in the case of diversified portfolios.

LIMITATIONS OF MUTUAL FUND

1. High Expense Ratio
2. Liquidity Risk
3. Uncontrollable tax events
4. Evaluation
5. Fluctuating Returns
6. Lack of control
7. Over Diversification
8. No intraday trading

PARTIES INVOLVED IN MUTUAL FUNDS

SEBI	It is the governing authority of the stock market Mutual Funds' legal Framework is regulated by SEBI's guidelines
Investors	The investor is another spectacular(who takes on high risk for high rewards) but one whose primary objectives are to safeguard the principal investment, a steady income, and capital appreciation
Trustees	The mutual fund has been formed as a public trust and trustees manage the trust. They are primarily accountable for protecting the interest of mutual fund investors
Asset Management Company	SEBI-approved Asset Management Company manages the fund by making investments in various types of securities. It manages the investment portfolio of the schemes and handles various other routine activities incidental to the mutual fund business. Its income comes from the management fees it charges from the schemes it manages
Distributors	They earn a Commission for bringing in investors into the schemes of mutual funds. this commission is an expense for the schemes
Registers	An investor holding in mutual fund schemes is typically followed by the schemes Registrar and transfer agent. some AMCs prefer to handle it in-house
Custodian/Depository	As the name suggests a custodian of the securities preserves the custody of the securities in which the scheme invests. Therefore for an investment transaction of a mutual fund custodian receives or gives delivery

Parameters on which the investors preferences are based for investing in Mutual Fund

There are various reasons on the basis on which the investors choose Mutual Funds , for this particular research the researcher will cover the two main criterias focused while choosing Mutual Fund.

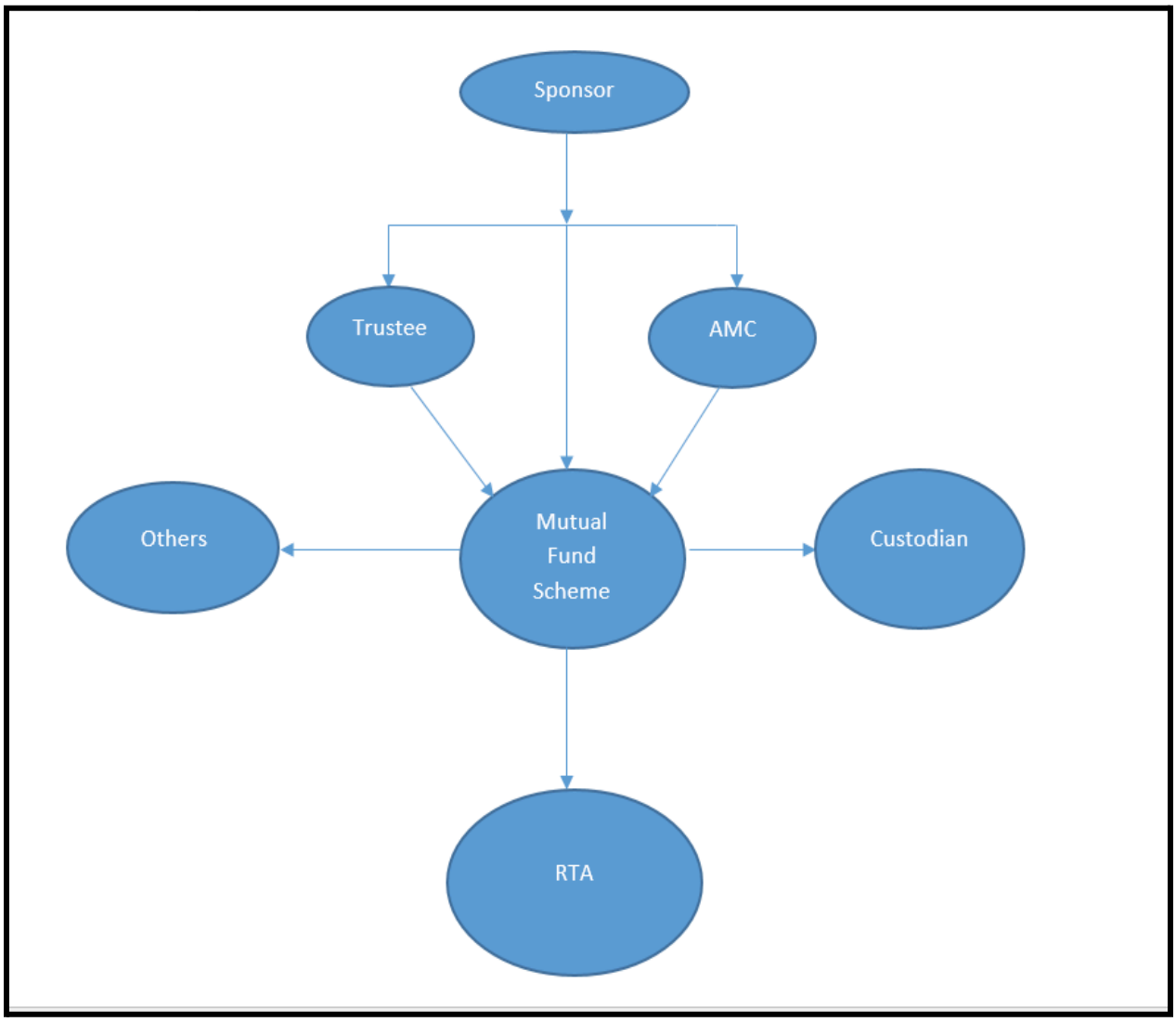
a. **Security**

Investment is among one of the major decisions taken by individual. Before investing the investors makes sure that the investment they are choosing is safe or not. A Mutual Fund is a great investment tool for long-term investors who are not much familiar about the working of stock markets. Mutual Fund schemes offered by Mutual Fund investment firms are according to the objective, risk appetite and requirements. Investing in mutual fund is safe and secure as it provides professional management which is managed by experienced professionals who use their expertise to make investment decisions. By this way the risk of losses due to wrong investment decisions are reduced. Mutual Funds are regulated by SEBI (Securities and Exchange Board of India), ensuring that they operate within specific guidelines and follow strict investment policies. This provides investors with a sense of security and trust. Mutual Funds are required to disclose their portfolio holdings and performance regularly. This ensures transparency and allows investors to make informed decisions. SEBI has strict rules that prevent a Mutual Fund operator from converting all assets into cash and a Mutual Fund's value is judged everyday and it has to declare its holdings every month.

b. **Return**

The purpose of investing in Mutual Funds is to earn a higher returns than what traditional investment options offer. These return are the result of more extensive market exposures and professional management of the Mutual Funds. Mutual Funds are also more tax-efficient than traditional investments. In Mutual Funds both short-term and long-term are taxed in a way that it doesn't lessen the returns. The risk that comes with Mutual Funds investments can be managed by diversifying the investment and investing based on financial goals, time horizon and risk tolerance. A risk-adjusted return is a calculation of the profit or potential profit from an investment that considers the degree of risk that must be accepted to achieve it . An investor always choose an investment option which provides more return at a less risk. Mutual Funds diversify the risk of investors.

STRUCTURE OF MUTUAL FUND



HISTORY OF MUTUAL FUNDS IN INDIA

The history of mutual funds in India can be broadly divided into five phases, marking a significant journey from a government-controlled market to a diverse and investor-centric industry.

Diving Deeper into the History of Mutual Funds in India

Building upon the previous overview, let's delve deeper into specific aspects of the Indian mutual fund industry's evolution:

Phase 1 (1964-1987): The UTI Era - A Period of Controlled Growth

- **Limited Investment Options:** Under UTI's monopoly, investors had limited choices, with US '64 being the sole offering for several years.
- **Focus on Investor Protection:** The government emphasized capital safety and ensured guaranteed returns on UTI schemes, attracting risk-averse investors.
- **Limited Reach:** Distribution channels were restricted, primarily limited to government offices and post offices, hindering widespread accessibility.

Phase 2 (1987-1993): Entry of Public Sector Players - Increased Competition and Diversification

- **New Fund Houses:** Public sector banks and institutions like LIC established their own mutual funds, offering more options to investors.
- **Product Innovation:** Introduction of new schemes like income funds and balanced funds catered to diverse risk appetites.
- **Marketing Efforts:** Increased marketing efforts aimed at raising awareness about mutual funds among the public.

Phase 3 (1993-2003): The Private Sector Revolution - A Catalyst for Growth

- **Private AMCs and Innovation:** Entry of private players like Kothari Pioneer brought fresh perspectives, leading to a wider range of investment options and innovative structures like close-ended funds.
- **SEBI Regulations 1996:** The regulations established a framework for fair practices, investor protection, and transparency, fostering trust in the industry.
- **Systematic Investment Plans (SIPs):** The launch of SIPs in 1993 provided a convenient and disciplined approach to investing in mutual funds, especially for small investors.

Phase 4 (February 2003 – April 2014): Consolidation and Boom

- **Mergers and Acquisitions:** This phase saw consolidation among smaller players, leading to a more robust industry with fewer but larger fund houses.
- **Technological Advancements:** Online platforms and mobile apps made investing in mutual funds more convenient and accessible.
- **Growth in AUM:** The industry witnessed significant growth due to factors like strong economic performance, rising disposable income, and increased investor participation.

Phase 5 (Current Phase – Since May 2014): Expanding Horizons

- **Diverse Product Offerings:** Today, the industry boasts a wide variety of equity, debt, hybrid, and thematic funds catering to various investment strategies and risk profiles.
- **Focus on Financial Inclusion:** Initiatives like investing through Aadhaar and simplified KYC norms aim to expand the investor base and promote financial inclusion.
- **Regulation and Investor Protection:** SEBI continues to introduce regulations and investor education initiatives to ensure fair market practices and protect investors' interests.

Key Statistics (as of December 2023):

- **Number of Mutual Fund Houses:** 45
- **Total Number of Schemes:** 5,368
- **Assets Under Management (AUM):** ₹41 lakh crore
- **Number of Investor Folios:** 16.96 crore

The Indian mutual fund industry has come a long way, evolving from a government-controlled sector to a diverse and thriving market. It continues to play a crucial role in mobilizing savings, providing investment opportunities, and promoting financial well-being for millions of Indians.

TYPES OF MUTUAL FUNDS

In India, mutual funds come in a wide variety, each catering to different risk appetites and investment goals. Here's a breakdown of the major types:

Based on Asset Class:

- **Equity Funds:** These funds are growth engines, primarily investing in company stocks. They offer the potential for high returns but also carry higher risk, which varies depending on the company size targeted. Large-cap funds invest in established companies like Reliance or Infosys, offering lower volatility and steadier returns compared to mid-cap and small-cap funds that focus on companies with higher growth potential but also higher risk. Types of Equity Funds

a. **Large-Cap Funds:** Invest in stocks of well-established, large companies (e.g., Reliance, Infosys). Lower risk compared to other equity funds.

b. **Mid-Cap Funds:** Invest in stocks of medium-sized companies with growth potential. Higher risk than large-cap funds but potentially higher returns.

c. **Small-Cap Funds:** Invest in stocks of smaller companies with the potential for high growth but also higher risk.

- **Debt Funds:** Prioritizing stability and income, debt funds invest in fixed-income instruments like government bonds, corporate bonds, and short-term debt instruments. They offer lower risk compared to equity funds but also lower potential returns. Liquid funds provide easy access to invested capital with minimal risk, making them ideal for short-term needs. Income funds, on the other hand, focus on generating regular income through interest payments from debt investments. Types of Debt Funds

a. **Liquid Funds:** Invest in very short-term debt instruments (usually up to 91 days). Ideal for parking surplus funds for short periods with easy access.

b. **Income Funds:** Invest in debt instruments with a focus on regular income generation.

c. **Fixed Maturity Plans (FMPs):** Invest in debt instruments with a fixed maturity period, offering predictable returns.

- **Hybrid Funds:** Seeking a balance between growth and capital protection, hybrid funds combine equity and debt in varying proportions. Balanced funds typically invest in a 60:40 ratio (equity:debt), suitable for investors seeking moderate long-term growth with some income generation. Aggressive hybrid funds allocate a higher proportion (65-80%) to equity, aiming for potentially higher returns but with more risk. Types of Hybrid Funds

a. **Balanced Funds:** Invest in both equity and debt, typically in a 60:40 ratio (equity: debt). Suitable for investors seeking moderate risk and growth.

b. **Aggressive Hybrid Funds:** Invest in a higher proportion of equity (65-80%) compared to debt, offering potentially higher returns with more risk.

- **Money Market Funds:** Invest in extremely short-term debt instruments with maturities of one day or less. They offer high liquidity and minimal risk but also low returns.

Based on Investment Objective:

- **Growth Funds:** Aim to achieve capital appreciation over the long term by investing primarily in equity stocks with high growth potential.
- **Income Funds:** Focus on generating regular income through dividends or interest payments from debt investments.
- **Liquid Funds:** Offer high liquidity for easy access to invested capital, suitable for short-term investment needs.
- **Tax-Saving Funds (ELSS):** Equity Linked Saving Schemes offer tax benefits under Section 80C of the Income Tax Act.

Other Specialized Funds:

Beyond these main categories, the Indian market offers specialized options like sectoral funds that concentrate on specific industries like pharma or technology, catering to investors seeking focused exposure. Additionally, index funds and ETFs offer a more passive approach, mimicking the performance of a particular market index, making them suitable for investors seeking broader market exposure without actively managing individual stocks.

- **Sectoral Funds:** Invest in companies within a specific industry sector (e.g., Pharma, Technology).
- **Index Funds:** Passively track a particular market index (e.g., Nifty 50), offering returns that mirror the index performance.
- **Exchange Traded Funds (ETFs):** Similar to index funds but trade on stock exchanges like shares.

SBI MUTUAL FUND

SBI Mutual Fund, established in 1987, is a behemoth in the Indian mutual fund industry, boasting a massive ₹1.88 lakh crore in assets under management (AUM) as of September 2023.

This translates to a wider range of offerings across various categories, including equity, debt, hybrid, and sectoral funds.

Catering to diverse investor profiles, SBI funds cater to both conservative and aggressive investors. Performance-wise, several SBI funds have consistently outperformed their benchmarks, although individual fund performance can vary. Expense ratios are generally within the industry average.

The vision of SBI Mutual Fund is “To be the most preferred and the largest fund house for all asset classes, with a consistent track record of excellent returns and the best standard in customer services , product innovation ,technology and HR practises”. The mission has been to establish Mutual Funds as a viable investment option to the masses in the country. Working towards it , SBI mutual fund developed innovative , need specific products and educate the investors about the added benefits of investing in capital market via Mutual Funds.
SBI Mutual Fund is the first bank sponsored fund to launch an off shore fund Resurgent India Opportunities Fund.

LIST OF SOME HIGH-PROFIT SBI MUTUAL FUNDS

Fund Name	Category	Fund Size (in Crore)
SBI Healthcare Opportunities Fund	Equity	2,431
SBI Conservative Hybrid Fund	Hybrid	9,481
SBI Magnum Gilt Fund	Debt	7,820
SBI Infrastructure Fund	Equity	2,063
SBI Large & Midcap Fund	Equity	22,484
SBI Bluechip Fund	Equity	21,343
SBI Balanced Advantage Fund	Hybrid	18,222
SBI Equity Multi Cap Fund	Equity	17,435
SBI Tax Saver Fund	Equity Tax Saving	14,123
SBI Debt Fund	Debt	13,872

AXIS MUTUAL FUND

A younger player compared to SBI, Axis Mutual Fund, founded in 2009, has carved a niche with over ₹69,000 crores in AUM as of September 2023. They are known for their focused approach, employing high-conviction, concentrated portfolios in specific market segments like focused funds and mid-cap funds.

This strategy caters to investors comfortable with higher risk for potentially higher returns but also translates to higher volatility compared to broader diversified funds offered by SBI.

While Axis funds have delivered strong returns, thorough research into the fund manager's experience, investment philosophy, and alignment with your personal financial goals and risk tolerance is essential before investing. Expense ratios are also competitive and comparable to industry benchmarks.

List of Some High-Profit AXIS Bank Mutual Funds

Fund Name	Category	Fund Size (in Crore)
Axis Bluechip Fund	Equity	22,234
Axis Long-Term Equity Fund	Equity	17,821
Axis Equity Growth Fund	Equity	14,562
Axis Focused 25 Fund	Equity	12,314
Axis Midcap Fund	Equity	11,873
Axis Small Cap Fund	Equity	8,221
Axis Balanced Fund	Hybrid	6,432
Axis Consumption ETF	Equity	5,871
Axis Nifty 50 Fund	Equity	5,210
Axis Debt Fund	Debt	4,823

LITERATURE REVIEW

Dr. K.Rampriya(2024) [1] "Policies of Mutual Funds in emerging Indian Economy" This research talks about the risk and time factor involved in selecting the best mutual fund. Investors can invest in high risk funds for their long term goals and low risk funds for their short-term goals. In future investors preference are stimulated by awareness , regulatory oversight and technology . The results finds that the best mutual fund to invest will depend on financial goals, risk tolerance and the investment duration .

Shivani Gundala , G.Vinesh Kumar (2024) [2] "A study of impulse behaviour of Individual Investors towards Mutual Funds industry in Hyderabad - with special reference to select Public Mutual Funds schemes" This research focuses on particular Public Mutual Funds schemes , to examine the impulsive behaviour of individual investors of hyderabad mutual funds market.The study uses a questionnaire based research methodology to collect data on the impact of demographics variable . The results shows that the individual investors in hyderabad mutual fund market underscores the need for tailored education and communication strategies to meet diverse demands. Addressing varied preferences the emphasis is on enhancing investors satisfaction and confidence in Public mutual funds schemes .

Surendra Kumar Verma et.al (2023) [3] "A comparative evaluation of selected Indian Mutual Funds from the Public and Private sectors" The study compares and analyses the performance of 10 equity schemes aiming to grade them based on effectiveness , particularly to assist small investors in decision making . Utilising the T-Test for the difference in the mean, it compare the mean and return of public and private sector mutual funds. The analysis employs Jensen's alpha, Sharpe and Treynor index models revealing significantly improved performance in the majority of selected schemes from both sectors. The study concludes that the notable performance of these equity mutual funds schemes indicates success of for both Public and Private sector Mutual Funds attributed to improved fund allocation , managerial efficiency and portfolio manager performance.

Mrs.Kalpana and Kunchala Hema (2023) [4] "Evaluating the performance of Private and Public Mutual Funds"This study examines the performance of various selected Mutual Fund schemes in the Commercial and Public Sectors in order to determine the growth and risk of the schemes during the pre-covid era of 2014-2018 and the post-covid period of 2019-2021.

A sample of 8 Mutual Funds was taken, 4 Public Sector and 4 Private Sector. Statistical tools used The Sharpe Ratio The Treynor Ratio and Jensen Ratio. The risk Return relationship in Mutual Funds is analyzed by using the standard deviation for the selected schemes. The findings

of this study state that regardless of equal retail environments, skill is an abundant alternative in the depiction of Public and Private impartiality collaterals. They are largely behind for-profit business capital in agreement with return creation. The management sub-division means are sidelined to equate to private area finances.

Kunal Gaurav et.al (2023) [5] "Investment Behaviour of Corporate Professionals towards Mutual Funds in India" The study aims to understand the investment behavior of corporate professionals and also to study the various factors which influence the investment behavior of corporate professionals towards mutual funds. The study stood effective in elucidating seven significant factors that influence the investment behavior of corporate professionals with regard to mutual funds investment.

Pradeesh G (2020) [6] "Impact On Investor Attitude Towards Various Investment Avenues In Thanjavur" The study has been conducted among 1000 investors of thanjavur city corporation, published in Emperor Journal of Applied Scientific Research, Convenience Sampling method was adopted . The data was analysed using ANOVA. The study concludes that if the younger generation starts investing at the early stage at regular basis, they can be able to save more money for their future.

G.Jabez Rajan ,M .Rani Subathra, Dr.S.Bulomine Regi .(2020) [7] "Investment Scheme And Behaviour Of It Sector Investors With Respect To Chennai City" .The research was done with 150 salaried investors working in IT sector. The data has been collected and analyzed using Mean, Median, Standard Deviation variance, T-test, and Chi-Square. The study concludes that the awareness of investment based on gender is not interrelated and their annual income and percentage of investment are closely related.

Qureshi et.al. (2019) [8] "Dynamics of Mutual Funds and Stock Markets" This research examined the relationship among mutual fund flows,stock market returns and macroeconomic indicators for nine asian developing economies for the period 2001-2017 using more than 9600 equity and bond funds and concluded that fund flows respond to past stock market return.

Rehmani A. (2018) [9] "Investment Performance Of Selected Public And Private Mutual Funds" The study attempted to evaluate the performance of selected private and public mutual funds schemes against risk-free rate and benchmark/market index for a period of 7 financial years, that is from 2010 to 2017 (84 months). The sample included a total of 8 equity/ growth schemes, 4 from public sector and 4 from private sector . For the analysis , monthly NAV of sample schemes were taken and monthly closing values of BSE 100 were considered as the benchmark index , 91 days treasury bills were taken as the risk-free rate . Risk return analysis along with analysis of risk - adjusted performance measures such as Sharpe ratio , Treynor ratio , Jensen measure and Sharpe-differential measure were used for evaluating the investment performance of the selected

sample schemes.The findings of the study revealed that private sector funds outperformed the public sector funds against their benchmark index in terms of risk-return analysis as well as risk-adjusted measures of performance evaluation throughout the study period.

Anupam Thakuria and Shikha Kashyap (2017) [10]
"Comparative Performance Analysis Of Public Sector Sponsored And Private Sector Sponsered Mutual Funds In India"
This study tries to highlight the comparative performance of Public and Private sector Mutual Funds and also show the scope of the existing potential of the fund market in the face of traditional risk aversion of the investors and a huge rise in financial assets. The findings were mostly inclined to private Mutual Funds as their return was higher as compared to public Mutual Funds.

Yashasvi , R.Rajpara (2017) [11] "A Study on Performance evaluation of Selected Debt Mutual Fund in India" This research was conducted to know which scheme gives the highest return in India. To analyse the risk and return component among various mutual funds schemes. To evaluate and compare the performance of debt mutual fund schemes. The findings were that rational investors are more interested in debt fund rather than other funds.

Mishra (2011)[12] "Dynamics of the relationship between mutual funds investment flow and stock market returns in India" studied the casualty between the investment drive in mutual funds and the share market proceeds in India from 2000 to 2010 and revealed the presence of one way casualty from the share market earnings to the flow of money in mutual fund. This meant that the rise in prices in the Indian share markets led to increase in the assets under management of the mutual funds.

Mehta S. (2010) [13] "Compared to Private company - Public company scheme is better to invest'' This research analyzed the performance of mutual fund schemes of SBI and UTI and found that SBI schemes performed better than the UTI in the years 2007-2008. Compared to private company and public company schemes is better to invest.

RESEARCH GAP

Investment decisions are one of the critical decisions made by individuals as it involves capital. The Mutual Fund performance is mostly dependent on the strategies adopted by the Fund Managers in designing the portfolio. The return and risk are the main factors that influence the buying decision of investors. Mutual Funds are the best option for those who have less knowledge about the market. As mutual funds provides investors the portfolio of various investments where they can invest , in this form of investment the risk get diversified over various investment options. So the chances of profit is more for the investors ,there are various mutual funds available all over the market including various Public and Private Mutual Funds. By going through all literature reviews it was found that the research was confined to only few types of mutual funds offered by banks. So, the chances of further research is there, the researcher will go through all the Mutual Fund options provided by SBI Mutual Fund(Public Sector), AXIS Mutual Fund(Private Sector) and on the basis of the results, the findings will be about the investment options opted by the investors of Jharkhand. After research the data will provide the information regarding the most preferable Mutual Funds by the investors. The results of this research will help to know that the Mutual Fund market of Jharkhand is dominated by which type of Mutual Fund .

OBJECTIVES OF THE STUDY

1. To examine the return after adjusting for risk.
2. To analyze and compare the performance of SBI MUTUAL FUND and AXIS MUTUAL FUND.
3. To understand the risk and return for each mutual fund scheme under consideration using different statistical measures.
4. To assess the volatility and reliability of selected mutual funds.
5. To identify the source of information that influences the fund selection decision.
6. To test whether the choice of Public and Private mutual funds is independent of demographic profile.
7. To know the documentation required for customers to invest in mutual funds.
8. To examine the qualities of money management made by invest

HYPOTHESIS TESTING

1. **H0 (Null Hypothesis):** There is no significant difference in the performance of SBI MUTUAL FUND and AXIS MUTUAL FUND.

2. **H1 (Alternate Hypothesis):** There is a difference between the performance of SBI MUTUAL FUND and AXIS MUTUAL FUND.

3. **H2:** There is no significant difference in the returns of the selected scheme between Public and Private Mutual Funds.

4. **H3:** There is a significant difference in the returns of the selected schemes between Public and Private mutual funds.

PROPOSED METHODOLOGY

(a) POPULATION

This study is aimed to assess the information about the investment techniques used by investors. Investors of Jharkhand would be considered as a population of this study.

(b) SAMPLE

A sample is a subset of the population selected to represent the population as a whole.

Sample unit - Investors of Jharkhand .

Sample size - This study will involve 150-200 respondents .

Sampling Type - The sample size will be taken by random sampling technique.

(c) APPROACHES OF DATA COLLECTION

Research Design : Research design is an activity and time based plan keeping in view of the research objectives . It guides about the types of information to be collected and their sources . It is defined as plan,structure and strategy of investigation to obtain answers to research questions and to control variance. It specifies the methods and procedures for collecting and analysing the needed information. For this research the researcher will go for the exploratory and descriptive research.

a. Exploratory Research : It is done in the beginning of research , undertaken to explore an area where little is known. It makes use of secondary data (mainly literature review) , experience , surveys , case studies etc. It is also known as Feasibility Study or Pilot Study .

b. Descriptive Research : It is any study that is not truly experimental , it includes surveys and fact finding enquiries with adequate interpretation . The information is collected without changing the environment i.e. nothing is manipulated .

(d) SOURCES OF DATA

Primary Source: Primary Source of data is collected fresh by the researcher and is based on surveys, observations and experimentation. It is one of the reliable source of data collection as the data is collected directly from the respondents.

In this research researcher will use the primary source of data by using Questionnaire and Schedule .

Secondary Source: Secondary Source of data is collected from external sources such as television , radio , internet etc. It is a quick method of obtaining information. In this research researcher will use the secondary data by using: Journals , Books , Website , Newspaper and Magazines.

DATA ANALYSIS AND INTERPRETATION

- Literature Review and Case Studies
- Tabulation
- Data Analysis is planned with the help of various statistical tools

TOOLS AND TECHNIQUES

1) Sharpe Ratio: It indicates the risk-return performance of the portfolio.

2) Treynor Ratio: It measures the returns earned more than that which could have been earned on an investment that has no diversifiable risk.

3) Jensen Ratio: It measures the risk-adjusted performance of a security or portfolio about the expected market return.

Alpha = (Rx - Rf) - beta (Rm - Rf)

4) Beta: It measures the volatility or systematic risk of a security in comparison to the market as a whole.

LIMITATIONS OF THE STUDY

The research itself means an addition to the existing knowledge. The research itself opens the ground for more research. No research is limitation-free, the limitations this research carries are mentioned below :

1. Limited sample size
2. Sample size may not adequately represent the national market.
3. Psychological and Emotional characteristics of the surveyed population.
4. The investment pattern of the people of non-metro cities would not represent the whole market.

CHAPTERISATION

The entire research work is organized into the following chapters.

1. Introduction
2. Growth and Development of Mutual Funds in India
3. A Critical Evaluation of Performance of SBI and AXIS Mutual Fund Performance Analysis
4. Hypothesis Testing and Data Analysis
5. Findings, Conclusions and Suggestions

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